

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6304

BILL NUMBER: SB 44

DATE PREPARED: Nov 8, 2001

BILL AMENDED:

SUBJECT: Firearms Licenses and Foreign Nationals.

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill requires a person who is not a United States citizen and desires to obtain a handgun or retail handgun dealer's license to submit additional information to the appropriate law enforcement agency including: (1) proof that the person is lawfully present in the United States; (2) information from the foreign country in which the person is a citizen concerning the person's criminal history; and (3) other relevant information.

Effective Date: July 1, 2002.

Explanation of State Expenditures: If fewer licenses are processed due to fewer applications applied for by non-United States citizens, the state could see a minimal decrease in expenditures related to firearms licenses processing. The State Police currently expends \$0.02 per form, including printing and paper costs, for a handgun license.

Explanation of State Revenues: If fewer licenses are issued due to the possible reduction of applications for a conceal-carry handgun license, state revenues could decrease by a slight amount. The state currently collects \$5 for a limited hunting/target carry license, \$15 for a conceal-carry handgun license, and \$20 for a retail handgun dealer. The hunting/target and the conceal-carry license are valid for four years after issue. The retail handgun dealer permit is valid for two years upon issue. In FY 2001 the state collected \$1.03 M in revenue from firearm licenses.

As of March 2000, the U.S. Census Bureau estimated that approximately 2 million non-United States citizens lived in the Midwest portion of the United States, or 10.5% of the total non-United States citizen population in the United States.

Explanation of Local Expenditures: The impact to local expenditures would be similar to that on the state level if fewer background checks are performed on non-United States citizens. However, no savings would

occur on the issuance of the license as the Indiana State Police administers the license. *See Explanation of State Expenditures.*

Explanation of Local Revenues: This bill may decrease the number of licenses issued if fewer non-United States citizens apply for a conceal-carry license each of which requires a local \$10 application fee. License revenue may be deposited in the law enforcement agency's Firearms Training Fund or other appropriate training activities funds.

The bill allows the law enforcement agency that accepted an application from a non-United States citizen to charge an extra fee to cover the cost of the investigating officer and the superintendent of the State Police to conduct further investigation specified by the bill.

The specific impact of this bill will vary by law enforcement agency and will depend upon local activity.

State Agencies Affected: Indiana State Police.

Local Agencies Affected: Local Law Enforcement Agencies.

Information Sources: U.S. Bureau of the Census, Indiana State Police, Indiana Office of the State Auditor.